



NEWS RELEASE

United States Department of Agriculture Rural Development
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CONGRESSMAN OSBORNE, DAWSON PUBLIC POWER DISTRICT AND VILLAGE OF HERSHEY CELEBRATE ECONOMIC DEVELOPMENT FUNDS RECEIVED FROM USDA RURAL DEVELOPMENT

Hershey, Neb., June 3, 2005—United States Congressman Tom Osborne participated today in an USDA Rural Development symbolic check presentation to the Dawson Public Power District (DPPD) in Hershey, Neb. The \$200,000 in funds will establish a revolving loan fund for economic development projects in portions of central and western Nebraska. Initial funding will support the Village of Hershey's investment in infrastructure for housing and industrial development. Dawson Public Power District of Lexington, Neb. will contribute \$40,000 towards the creation of the revolving loan fund.

"I am pleased to see town officials and the Dawson Public Power District working together to put the Village of Hershey on a path that leads to additional growth and opportunity for the residents of the Hershey community," stated U.S. Congressman Tom Osborne. "Utilizing the USDA funding in efforts to attract new residents and business enterprises will serve as a great benefit to the surrounding community."

"We are excited to offer a new tool to help our rural communities and customers prosper," stated Bob Heinz, manager of DPPD. "Strong rural communities are at the foundation of our business as a public power district, and we are excited to help provide this support."

"USDA Rural Development is pleased to be a part of this project. Assisting rural communities in their growth and sustainability is the outcome we strive for through the use of our programs," stated Scot Blehm, Nebraska state director for USDA Rural Development.

"Through its various programs, USDA Rural Development does an excellent job of improving the quality of life in America's rural communities. It is vital that Nebraska's rural communities continue to strive to achieve the same goal—making Nebraska a better place to live and a better place to do business," continued U.S. Congressman Osborne.

"Hershey has little room left to expand for housing and industrial development as we have developed our last housing site," explains Bob McClellan, board chairman for Village of Hershey. "USDA Rural Development and Dawson Public Power District, through the funding announced today, will play a key role in developing nearly 20 acres for future housing that will help to recruit potential residents and businesses to our Village."

Adding a new well to serve the growing water needs of the community prompted the Village to purchase 19.6 acres of land on the north side of this rural Lincoln County community of 571 residents. Development of the land into a new housing development including site preparation work for roads, and extension of city water and sewer lines to serve future

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development will provide the needed infrastructure for growth. The Village will also extend water and sewer services to the newly annexed Betts Addition, a 50 home housing development started nearly 30 years ago. The long term viability of the Addition hinges on its ability to receive water and sewer services as deteriorated septic systems are being experienced, lowering the water quality in many area wells.

“Eight direct jobs over a 10 year development phase are anticipated through this project,” stated Karissa Hagedorn, business programs specialist for USDA Rural Development. “The development of the housing site will bring 35 new homes to the community, possibly increasing the number of area school children and need for additional teachers. The added infrastructure will also aid in the recruitment of industry adding significantly to the Village’s work force.”

With the Village’s repayment of its loan to DPPD, the monies will be relent to eligible projects that include any business venture, governmental public body, or non-profit entity involved in a community or economic development project that promotes job creation and/or provides needed community services that benefit rural areas. This includes loans to for-profit businesses and to not-for profit entities. RLF funds may be for land, fixed assets, machinery and equipment, or working capital needs. The minimum loan amount is \$5,000 and maximum \$240,000, with a minimum of 20 percent funding from other sources, including bank lending. Loans shall not exceed 10 years.

DPPD received the USDA funding via the rural economic development grant (REDG) program. The REDGs are awarded through USDA Rural Development to public power and telecommunications cooperative organizations, which in turn provide loans and grants to support local economic or community development efforts.

For additional information contact Karissa Hagedorn at (308) 237-3118, (402) 437-5093 (TDY); 4009 North 6th Avenue Kearney, Neb. 68848; or Dave Behle, Dawson Public Power District (308) 234-3111. Visit <http://www.rurdev.usda.gov/ne/>.

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